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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/047,366	01/14/2002	Donald R. Fralic	3633-012217	5072
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THE WEBB LAW FIRM, P.C. 700 KOPPERS BUILDING 436 SEVENTH AVENUE PITTSBURGH, PA 15219			EXAMINER VIZVARY, GERALD C	
			ART UNIT 3694	PAPER NUMBER
			MAIL DATE 12/27/2007	DELIVERY MODE PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/047,366

Applicant(s)

FRALIC, DONALD R.

Examiner

Gerald C. Vizvary

Art Unit

3694

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on 1/14/2002.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-3 and 5 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-3 & 5 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. The following is a non-final office action in response to the communications received on 6/7/2007 Claims 1-3 & 5 now pending in this application.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1-3 & 5 are rejected under 35 U.S.C. 103(a) as being unpatentable over Silverman 5,924,082 in view of Waldo US 6,237,009.

As per claim 1 (Currently Amended) Silverman 5,924,082 shows a negotiation method comprising the steps of:

(a) providing to at least one lessor's computer via a computer network a first plurality of lessee entered qualitative lessor variables and a first plurality of lessee entered quantitative lessor data regarding a lease ~~received~~ input at a lessee's computer ("A further object of the present invention is to provide a system which enables users to trade financial and other types of instruments based on objective criteria and subjective criteria which are not standardized and/or easily quantifiable." Silverman 5,924,082 col. 3 lines 51-55);

(b) receiving from each lessor's computer via the computer network a second plurality of lessor entered qualitative lessor variables and a second plurality of lessor entered quantitative lessor data regarding the lease ("The negotiated matching system according to the present invention includes a plurality of remote terminals associated with respective potential counterparties and a communications network for permitting communication between the remote terminals and a matching computer and between the remote terminals themselves. Each user enters a first set of transaction parameters including ranking and other information into his or her remote terminal. The matching computer uses the first set of transaction parameters (ranking data, price data, size data and other parameters or attributes) from each user to identify potential transactions with potential counterparties. If potential transactions are identified, the respective parties are notified so that they may begin negotiation of a second set of transaction parameters." Silverman 5,924,082 col. 4 lines 28-41);

(c) receiving from the lessee's computer via the computer network for at least one of the ~~second~~ lessor entered qualitative lessor variables for each lessor at least one of a grade and a relative weight related to an importance of the at least one ~~second~~ lessor entered qualitative lessor variable to the lessee ("The aforementioned objects, as well as other objects, of the present invention are achieved by providing a negotiated matching system with a filtering feature that filters the potential transactions to be displayed to a trader based on ranking and other transaction information input by the trader and potential counterparties ." Silverman 5,924,082 col. 4 lines 13-18);

(d) for each lessor, processing the at least one of the grade and the relative weight received for the at least one ~~second~~ lessor entered qualitative lessor variable and the lessor entered quantitative lessor data to ~~determining~~-determine a weighted total score ("Remote terminals 101 and 102 also are connected via communication network 1. Remote terminals 101 and 102 may communicate with each other via network 1 once the filtering and matching process is completed by the matching computer 11." Silverman 5,924,082 col. 4 lines 39-43);

(e) ranking the weighted total scores ("ranking information from each user is uploaded to the matching computer 11 and stored." Silverman 5,924,082 col. 7 lines 16-17);

(f) ~~providing~~-displaying the ranked weighted total scores ~~to-on~~ the lessee's computer and each lessor's computer via the computer network ("Prior to their display to the users, the bids and offers may be filtered using the ranking data entered by the users, thereby limiting the bids and offers displayed to individual users." Silverman 5,924,082 col. 4 lines 50-55); and

(g) repeating steps (c) through (f) each time a change of at least one of the lessor entered qualitative lessor variables or at least one of the lessor entered quantitative lessor data is received from at least one of the lessor's computers via the computer network, wherein the lessor entered qualitative lessor variable and the lessee entered qualitative lessor variables each include at least one of the following: lessor's lease documents; lessor's reputation; lessor's knowledge of the item being leased; lessor's status as a private or public entity; and whether the lessor is also a vendor ("Similarly, a subjective ranking scheme may be as follows: RANKING VALUE: A) preferred business

associates, B) businesses with good reputation, C) businesses with average reputations, D) businesses with poor reputations” Silverman 5,924,082 col. 9 lines 50-57)

Silverman 5,924,082 fails to claim a lease auction

Waldo US 6,237,009 teaches “In accordance with an alternative embodiment of the present invention, as embodied and broadly described herein, a method for managing leases between clients and network services comprises the steps of receiving from the client an indication of a lease on the network service, and managing the lease on behalf of the client.” (Waldo US 6,237,009 col. 5 lines 60-65)

It would have been obvious to one of ordinary skill in the art at the time of the invention to modify the invention of Silverman 5,924,082 to incorporate the leasing features of Waldo US 6,237,009 for the purposes of “managing leases between clients and other network services” (Waldo US 6,237,009 abstract)

As per claim 2 (Currently Amended), Silverman 5,924,082 teaches a method as set forth in claim 1, further including the steps of:

receiving from the lessee's computer via the computer network a ~~first-third~~ plurality of lessee entered qualitative lessor variables and a ~~first-third~~ plurality of lessee entered quantitative lessor data;

processing the ~~first-third~~ plurality of lessee entered qualitative lessor variables and the ~~first-third~~ plurality of lessee entered quantitative lessor data to obtain a first lease simulation outcome;

~~providing~~ displaying the first lease simulation outcome ~~to~~ on the lessee's computer via the computer network;

receiving from the lessee's computer via the computer network at least one of a ~~second~~ fourth plurality of lessee entered qualitative lessor variables and a ~~second~~ fourth plurality of lessee entered quantitative lessor data;

processing the at least one of the ~~second~~ fourth plurality of lessee entered qualitative lessor variables and the ~~second~~ fourth plurality of lessee entered quantitative lessor data to obtain a second lease simulation outcome;

~~providing~~ displaying the second lease simulation outcome ~~to~~ on the lessee's computer via the computer network; and

providing to the at least one lessor's computer in step (a), as the first plurality ' of lessee entered qualitative lessor variables and the first plurality of lessee entered quantitative lessor data, the first-third or second-fourth plurality of lessee entered qualitative lessor variables and the corresponding first-third or second-fourth plurality of lessee entered quantitative lessor data to the at least one lessor's computer in step (a), respectively, based on the first or second lease simulation outcome provided to the lessee's computer via the computer network. ("It is another object of the present invention to provide a negotiated trading system which accommodates the numerous complex and non-standardized exposure evaluation procedures of various financial institutions within a single automated trading system while preserving the confidentiality of these procedures." Silverman 5,924,082 col. 3 line 65-col. 4 line 3)

("According to another embodiment of the negotiated matching system according to the present invention, all terms entered by the parties to the transaction may be negotiated after the potential match has occurred. These terms may be negotiated using free-style dialog entered, for example, using a keyboard and mouse (not shown) and displayed for example in box 410 of screen 400. In this embodiment of the present system, once a match occurs, the system automatically initiates a "call" from one party to the other party which is displayed, for example, in box 411 of screen 400. An example of a display screen from such an embodiment is provided in FIG. 4A. Thus, the negotiated matching system according to the present invention creates tentative matches between potential counterparties, wherein neither party is initially committed to the transaction and the identities of the parties are unknown. The system does not automatically execute transactions." Silverman 5,924,082 col. 12 lines 47-64)

Silverman 5,924,082 fails to claim a lease auction

Waldo US 6,237,009 teaches "In accordance with an alternative embodiment of the present invention, as embodied and broadly described herein, a method for managing leases between clients and network services comprises the steps of receiving from the client an indication of a lease on the network service, and managing the lease on behalf of the client." (Waldo US 6,237,009 col. 5 lines 60-65)

It would have been obvious to one of ordinary skill in the art at the time of the invention to modify the invention of Silverman 5,924,082 to incorporate the leasing features of Waldo US 6,237,009 for the purposes of "managing leases between clients and other network services" (Waldo US 6,237,009 abstract)

As per claim 3 (Original), Silverman 5,924,082 teaches a lease auction method as set forth in claim 2, further including the steps of:

commencing the auction after completing one or more lease simulations ("Based on the price, quantity, and ranking information entered into the system by the trader, the system attempts to locate a match for the trader's order (bid or offer). The match may also occur when one party (a "market taker") hits a bid or takes an offer of a "market maker" displayed on the market screen 400. The matched transaction may be displayed on the market screen 400, for example, in box 409 in FIG. 4. The operation of the system from commencement of trading activities through the matching operation may be referred to as the "initiation" stage of operation." Silverman 5,924,082 col. 11 line 63-col. 12 line 5); and

terminating the auction at one of (i) a predetermined time and (ii) after expiration of a predetermined interval. ("204--the users enters bids and offers including firm (non-negotiable) and soft (negotiable) parameters pertaining to the bids and offers (e.g., price, quantity, expiration terms, acceptable credit ranking) into the system using their remote terminals. Traders may enter bids and offers into the system at any time." Silverman 5,924,082 col. 7 line 25- 30)

Silverman 5,924,082 fails to claim a lease auction

Waldo US 6,237,009 teaches "In accordance with an alternative embodiment of the present invention, as embodied and broadly described herein, a method for managing leases between clients and network services comprises the steps of receiving from the

client an indication of a lease on the network service, and managing the lease on behalf of the client.” (Waldo US 6,237,009 col. 5 lines 60-65)

It would have been obvious to one of ordinary skill in the art at the time of the invention to modify the invention of Silverman 5,924,082 to incorporate the leasing features of Waldo US 6,237,009 for the purposes of “managing leases between clients and other network services” (Waldo US 6,237,009 abstract)

4. (Cancelled)

As per claim 5 (Currently Amended), Silverman 5,924,082 teaches a lease auction method as set forth in claim 1, wherein the lessor entered quantitative lessor data variables and the lessee entered quantitative variables—lessor data each include at least one of the following:

borrowing rate (“For example, each user may enter different ranking information for different markets such as forward foreign exchange trading, lending, forward rate agreements, interest rate swaps, etc.” Silverman 5,924,082 col. 9 line 61-64);

term of lease (“This stage of operation of the system may be referred to as the “completion” stage, wherein the terms of the transaction are finalized through negotiations between the matched potential counterparties” Silverman 5,924,082 col. 12 lines 10-13);

estimated lease payments;

total net present value (NPV);

acquisition cost; and

ratio of total NPV divided by acquisition cost. ("In this more structured implementation of the system according to the present invention, the transaction dates and instrument price are firm, meaning that they are no longer negotiable between the potential counterparties." Silverman 5,924,082 col. 12 lines 21-25);

Silverman 5,924,082 fails to claim a lease auction

Waldo US 6,237,009 teaches "In accordance with an alternative embodiment of the present invention, as embodied and broadly described herein, a method for managing leases between clients and network services comprises the steps of receiving from the client an indication of a lease on the network service, and managing the lease on behalf of the client." (Waldo US 6,237,009 col. 5 lines 60-65)

It would have been obvious to one of ordinary skill in the art at the time of the invention to modify the invention of Silverman 5,924,082 to incorporate the leasing features of Waldo US 6,237,009 for the purposes of "managing leases between clients and other network services" (Waldo US 6,237,009 abstract)

Conclusion

4. The following is prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

Zandi (US 5,966,699) shows a computer system for conducting an electronic loan auction over a computer network such as the Internet. The computer system includes a computer connected to the Internet, which performs the following functions: (1) receiving an electronic loan application form from a prospective borrower; (2) providing such application to a loan authorizer's computer over the computer network for approval; (3) receiving an electronic message from the loan authorizer's computer indicating whether or not such loan has been approved; (4) entering the loan application into a database that is accessible to lenders via the computer network, if the loan is approved; and (5) maintaining the loan application in the database for a predetermined period time during which lenders may submit bids and the borrower may accept a bid.

Lewis (US 6,233,565 B1) shows a system and method for conducting Internet based financial transactions between a client and a server. The client has a processor, a printer, a client authentication module, a module for issuing a transaction request, and a unique digital signature. The server has a network including a transaction server, a transaction database, a server authentication module, and a receipt generation module. An internet connection is used between the client and the server network. The transaction execution system includes authentication, wherein the client authentication module and the server authentication modules communicate via the internet connection and are authenticated to each other. A transaction module is included wherein, in response to the client and server being authenticated, the client issues a transaction request to the server and the transaction server, in response to a client transaction

request, executes an electronic payment transaction at the server and records the transaction in the transaction database.

Tengel (US 5,940,812) shows a loan origination system including an apparatus and method for automatically matching a best available loan to a potential borrower, via a global telecommunications network. The loan origination system of the present invention brings together via the global telecommunications network potential borrowers and lenders. The loan origination system accepts and stores into a database borrower attributes entered by a potential borrower requesting a loan, via the global telecommunications network. The loan origination system also accepts and stores into the database credit related information regarding the potential borrower sent from at least one credit bureau. The loan origination system stores into the database respective loan acceptance criteria and respective loan attributes for an offered loan. The loan origination system compares the borrower attributes of the potential borrower with all of the loan acceptance criteria stored in the database to determine any available loans for the potential borrower. The loan attributes of the available loans are analyzed to determine rankings of best loans. From the rankings of best loans, the borrower chooses a selected loan provided by a selected lender. A loan application is automatically generated from the borrower attributes and is automatically sent to the selected lender for loan approval. In addition, the loan origination system of the present invention provides to a lender, information regarding borrowers and/or other competitive lenders in the loan market.

Jones (US 5,797,133) shows a method for the real-time automatic determination of the approval status of a potential borrower of a loan. The method of acquiring information from the potential borrower includes the steps of (1) detecting the change in a data stream of a trunk link routed telephone call; (2) answering the call initiated by the potential borrower; (3) determining the DNIS; (4) choosing a proper lender script from a library; (5) starting the script, the script being a series of pre-recorded voice messages which are questions, statements and/or instructions; (6) receiving the DTMF tones transmitted by the telephone keypad button pressed by the caller in response to a question; (7) translating the tones into the numerical values; (8) storing the values in a data processor; (9) terminating the call; and, (10) resetting the system for the next call. The method of determining the approval status and credit limit of the potential borrower includes the steps of: (11) automatically determining the approval status of the potential borrower according to criteria provided by a lender, including utilizing the predefined information in this determination, and information received by accessing a credit bureau; and (12) automatically transmitting information regarding the approval status back to the dealer and/or lender. Additionally, prior to determining the approval status of the potential borrower, the method may include (13) automatically transmitting information identifying the potential borrower to a data processing system maintained by a credit bureau; (14) automatically selecting financial information regarding the potential borrower from the data stored by the credit bureau and transmitting it to the control

location; and (15) automatically utilizing this information obtained from the credit bureau in determining the approval status of the potential borrower.

Fraser (US 5,995,947) shows a method and system for trading loans in real time by making loan applications, such as home mortgage loan applications, and placing them up for bid by a plurality of potential lenders. A transaction server maintains a database of pending loan applications and their statuses; each party to the loan can search and modify that database consistent with their role in the transaction, by requests to the server from a client device identified with their role. Brokers at a broker station can add loan applications, can review the status of loan applications entered by that broker, are notified of lender's bids on their loans, and can accept bids by lenders. Lenders at a lender station can search the database for particular desired types of loans, can sort selected loans by particular desired criteria, can bid on loan applications, and are notified when their bids are accepted. Broker stations, lender stations, and the transaction server can be coupled using multiple access methods, including internet, intranet, or dial-up or leased communication lines.

Dykstra (US 5,930,776) shows an apparatus and method for automatic credit evaluation and loan processing is disclosed. The apparatus includes a central processing unit which has capabilities for communicating with off-site remote access terminals. The central processing unit also includes facsimile transmission capabilities as well as capabilities for communicating with credit bureau computers. Mass storage capabilities

are included for storing program modules executable on the central processing unit and for maintaining databases. Program modules are provided for remote access security, credit bureau information processing, credit scoring, message display, and facsimile generation. In operation, the central processing unit is accessed from a remote terminal, loan application information is entered into the remote terminal, credit bureau information is accessed by the apparatus, credit scoring is performed, and a loan application is approved or declined. All steps, except for the entering of loan application information into the remote terminal, are fully automated, require no intermediate human intervention, and no intermediate handling of paper records. Application status is provided to the user via a visual display on the remote access terminal and hard copy confirmation to the user and lender via facsimile transmission.

Weatherly (US 6049784) shows a method for creating and managing a lease agreement includes providing predetermined financial information regarding a potential tenant and a potential landlord to a lease control intermediary, evaluating the information to determine the acceptability of the financial risk associated with the potential tenant, creating a service product in the form of a guaranty directed to periodic lease payments from the lease control intermediary to the landlord for a predetermined amount defining a guaranty limit with the guaranty limit corresponding to a predetermined time period with the guaranty obligation becoming active upon failure of the potential lessee to pay periodic lease payments; providing a lease agreement for execution by the landlord and tenant and the lease control intermediary and depositing

periodic lease payments received either from the tenant or made by the lease control intermediary according to the service product into an account held by the landlord, the payments having a management fee removed therefrom by the lease control intermediary.

5. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Gerald C. Vizvary whose telephone number is 571-270-3268. The examiner can normally be reached on Monday thru Friday.


If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammel can be reached on 571-272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-270-4268.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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Patent Examiner, A.U. 3609
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